

[Argument Against Proposition 86]

VOTE "NO" ON PROPOSITION 86 – STOP THE \$2.1 BILLION TAX HIKE!

We all want to improve our healthcare system, but Proposition 86 is the wrong solution.

Prop. 86 is an unfair tax increase supported by special interests who are amending our Constitution to benefit themselves.

Prop. 86's proponents say it's about encouraging people not to smoke, but it isn't. It's really a money grab by huge hospital corporations who will reap hundreds of millions of taxpayer dollars each year!

- Less than 10% of the tax revenues go toward helping smokers quit or keeping kids from starting.
- The largest share – almost 40% – goes to hospitals, many of which are funding the campaign for the new tax.
- HMOs will pocket *millions* from Prop. 86.

WHY ARE HUGE HOSPITAL CORPORATIONS SPENDING MILLIONS TO PASS

PROP. 86?

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[7/11/06 @ 2:11 pm]

ARGUMENT AGAINST PROPOSITION 86

- Hospitals wrote Prop. 86 to give themselves an exemption to antitrust laws, giving them legal protection to *divvy up and limit* many medical services, and then *raise prices* without worrying about competition.
- Prop. 86 puts no limits on what hospitals can bill taxpayers for emergency services for the uninsured. Why should hospitals be allowed to charge taxpayers several times what they charge insurance companies for the same treatment?

PROP. 86: ANOTHER LOTTERY MESS

Like the state lottery, it will be nearly impossible for voters to know how the new taxes will be spent. Prop. 86 lists program after state program that gets a cut of the estimated \$2.1 billion in new tax revenue.

PROP. 86: NO ACCOUNTABILITY TO TAXPAYERS

Prop. 86 throws millions of dollars at new bureaucratic state programs without adequate legislative or governmental oversight. There are NO GUARANTEES how the money will actually be spent, or assurances the money won't be wasted.

PROP. 86: INCREASES OUR DEFICIT

Prop. 86 contains 38 *pages of spending mandates*. But experts agree that the amount of money raised by this tobacco tax will decline over time. Declining revenues and demands

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to fund Prop. 86's programs will only worsen our deficit. Other important programs like education, transportation and law enforcement might have to be cut, or taxes raised further.

PROP. 86: INCREASES CRIME

Law enforcement groups oppose Prop. 86 because it will increase crime and smuggling. Stolen and smuggled cigarettes are already a big source of money for gangs and organized crime. If Prop. 86 passes, a *single truckload of stolen cigarettes could be worth over \$2 million* to criminals.

PROP. 86: UNFAIR

Prop. 86 taxes smokers to pay for programs that have nothing to do with smoking, like obesity programs. Less than 10% of the tax revenues go toward helping smokers quit or keeping kids from starting.

PROP. 86: LOCKED INTO OUR CONSTITUTION

Proposition 86 amends our Constitution and statutes. When problems and abuses are discovered, it will be nearly impossible for the Governor or the Legislature to fix them. The Constitution should not be changed for a special interest money-grab.

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Please join health professionals, law enforcement, taxpayers, and small businesses in voting NO on Proposition 86.

Larry McCarthy

President, California Taxpayers' Association

James G. Knight, MD

Past President, San Diego County Medical Society

Steven Remige

President, Association for Los Angeles Deputy Sheriffs

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